STAFF REPORT INFORMATIONAL 91

A Statewide 06/28/19

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LEGISLATIVE REPORT PROVIDING INFORMATION AND A STATUS UPDATE CONCERNING STATE LEGISLATION RELEVANT TO THE COMMISSION

SUMMARY:

Key issues the Legislature is addressing this year that are relevant to the Commission are oil and gas decommissioning, sea-level rise and climate change, marine invasive species prevention, reducing plastic waste, beach access, granted lands, and oil spill prevention.

Another key issue is legislation related to the Oakland Athletics' interest in developing a major league baseball ballpark and mixed-use development at the roughly 50-acre Howard Terminal site in the Port of Oakland. The City, acting by and through the Port, is a trustee on behalf of the State for the tidelands trust lands at Howard Terminal. The Commission oversees the Port's management of State-owned Public Trust lands along the Oakland Estuary.

This year, the Commission is sponsoring two bills. The first, AB 585 (Limón), clarifies the conditions the Commission should consider when assessing a request to transfer an existing oil or gas lease, and updates current law to minimize the State's future financial liability for decommissioning oil and gas infrastructure and to ensure that all lessees fulfill the contractual decommissioning obligations in their leases. The second bill, AB 912 (Muratsuchi), would change the implementation date of California's ballast water discharge standards, authorize the Commission to sample ballast water and biofouling for research, and modify and improve the Marine Invasive Species Act. The Senate Natural Resources and Water Committee approved AB 585 on June 11 and referred it to the Senate Appropriations Committee. The Senate Natural Resources and Water Committee will hear AB 912 on June 25, and the Senate Environmental Quality Committee will hear the bill on July 3.

LEGISLATION:

Below is a list of bills that staff is monitoring or where the Commission has adopted a support position.

Coastal Protection, Climate Change, and Sea-Level Rise

AB 65 (Petrie-Norris) Coastal Protection: Climate Adaption: Project Prioritization

This bill requires the State Coastal Conservancy to prioritize projects that provide natural infrastructure and multiple public benefits when allocating Proposition 68 funding and requires the Conservancy to consider projects in several ecosystems along the coastline. The bill also requires the Conservancy to inform the Office of Planning and Research about projects funded using the priorities to be considered for inclusion into the climate adaptation clearinghouse, allows the Conservancy to provide technical assistance to coastal communities to assist them with projects that use natural infrastructure, and defines natural infrastructure as using natural ecological systems or processes to reduce vulnerability to climate change hazards while increasing the long-term adaptive capacity of coastal areas by perpetuating or restoring ecosystem services. Status: Senate Appropriations Committee

AB 552 (Stone) Coastal Adaptation, Access, and Resilience Program

The Commission collects revenues from oil and gas extraction activities on state tidelands, most of which is deposited into the General Fund. This bill would redirect a minimum of 30 percent of that revenue, known as tideland oil revenue, to a newly established Coastal Adaptation, Access, and Resilience Program to fund sea-level rise and coastal adaptation work. The California Coastal Commission, the State Lands Commission, the Natural Resources Agency, the Ocean Protection Council, and the State Coastal Conservancy may use the revenue to take actions, based on the best scientific information, to address and adapt to sea level rise and coastal climate change, consistent with the guidelines and recommendations established in the bill. Consideration to support AB 552 is on the Commission's June 28, 2019 agenda as Item 93. Status: Senate Appropriations Committee

AB 839 (Mullin) Climate Adaptation: Strategy: Adaptation through Resiliency, Economic Vitality, and Equity Account

This bill requires, by July 2021, that the Secretary of the California Natural Resources Agency review the Safeguarding California Plan and develop a strategic resiliency framework. Establishes the Adaptation through Resiliency, Economic Vitality, and Equity Account to allocate money to provide grants and financing for climate adaptation projects that achieve the recommendations and action in the strategic resiliency framework.

Status: Senate Natural Resources and Water Committee

AB 975 (Calderon) California Adaptation Leadership and Coordination Act of 2019

This bill is intended to foster global partnerships for ocean protection. The bill requires the Secretary of the Natural Resources Agency, in coordination with the Governor's office, to communicate with other countries, states, regional collaboratives, and subnational governments to support and promote the state's goals and policies relating to ocean, coastal, and terrestrial adaptation. Requires an annual progress report.

Status: Senate Natural Resources and Water Committee

AB 1080 (Gonzalez)/SB 54 (Allen) California Circular Economy and Plastic Pollution Reduction Act

These bills declare a state goal that by 2030, manufacturers and retailers of single-use packaging and products achieve a 75 percent reduction in the amount of waste generated.

<u>Status</u>: Senate Natural Resource and Water Committee/Assembly Natural Resources Committee

Granted Lands

AB 1191 (Bonta) Public Lands: Howard Terminal: Oakland Sports and Mixed-Use Project

This bill enacts the Oakland Waterfront Ballpark Act and authorizes the Commission to exchange land at Howard Terminal with the city of Oakland provided a number of conditions are met. The purpose of the land exchange is to facilitate the Oakland Sports and Mixed-Use Project, which consists of a new ballpark for the Oakland Athletics and a mixed-use project that includes residential, commercial, and retail uses.

Status: Senate Natural Resources and Water Committee

AB 1392 (Mullin) Grant of Public Lands: City of Redwood City

This bill grants and conveys in trust to the City of Redwood City all the right, title, and interest of the state, consistent with the Public Trust Doctrine and the terms and conditions in its existing statutory trust grant, land that the Commission acquired in a recent land exchange and title settlement agreement. This transfer would fulfill a requirement in a land exchange that the City and the Commission approved last year.

Status: Senate Floor

SB 507 (Atkins) San Diego Unified Port District: Territory Held in Trust

This bill transfers the tide and submerged lands in San Diego Bay, which the Commission owns and manages, to the San Diego Unified Port District to hold and manage in trust consistent with the terms and conditions of its existing statutory trust grant and the Port Act.

Status: Assembly Appropriations Committee

Public Access

AB 1680 (Limón) State Coastal Conservancy: Coastal Access

This bill requires the California Coastal Commission, together with the State Coastal Conservancy, the Department of Parks and Recreation and the State Lands Commission to develop a coastal access plan for Hollister Ranch by April 2020. The plan must include a provision providing for public access by land and descriptions of beach recreation and scientific and educational areas. If a new coastal access plan is not completed by April 2020, the State Lands Commission would be required to expeditiously implement the 1982 Hollister Ranch access program after consulting with coastal protection agencies. The bill would require the State Coastal Conservancy to make findings and provide recommendations to the California Coastal Commission every 5 years regarding any legislation that may be necessary to adjust in-lieu public access fees. Consideration to support AB 1680 is on the Commission's June 28, 2019 agenda as Item 94. Status: Senate Natural Resources and Water Committee

Oil and Gas

AB 342 (Muratsuchi) Public Lands: Leasing: Oil and Gas: Prohibition

This bill prohibits any state agency, department, commission, and certain local jurisdictions with leasing authority over public lands from issuing a lease that allows new construction of oil and gas infrastructure on public lands to support oil and natural gas production on federal lands that are designated as, or were previously designated as, federally protected.

Status: Senate Appropriations Committee

AB 926 (O'Donnell) Oil Revenue: Oil Trust Fund

This bill removes the \$300 million cap in the state's Oil Trust Fund, resuming monthly deposits of \$2 million from Long Beach oil operation revenues until the Fund reaches a balance that will cover the state's projected abandonment liabilities. In April 2019, the Commission adopted a support position on AB 926.

Status: Senate Natural Resources and Water Committee

AB 936 (Robert Rivas) Oil Spills: Response and Contingency Planning

This bill revises oil spill response laws and the duties of the Administrator of the Office of Spill Prevention and Response to address nonfloating oils. Status: Senate Natural Resources and Water Committee

AB 1057 (Limón) Oil and Gas: Wells and Facilities: Indemnity Bonds and Remediation

This bill, intended to address the roughly 2,000 potential orphan wells that require further investigation, authorizes the State's Oil and Gas Supervisor to require an operator to provide an additional amount of security in an amount not to exceed the reasonable costs of plugging and abandoning all of the operator's wells.

Status: Senate Natural Resources and Water Committee

AB 1440 (Levine) State-owned Lands: Oil and Gas Production

There is a provision in existing law, a finding enacted in 1961, that the people of California have a direct and primary interest in assuring the production of optimum quantities of oil and gas from state-owned lands and that a minimum of oil and gas be left wasted and unrecovered in these lands. AB 1440 deletes that finding. This bill also revises the purposes of the State's Oil and Gas Supervisor to remove references encouraging oil production.

Status: Senate Natural Resources and Water Committee

SB 551 (Jackson) Oil and Gas: Decommissioning, Cleanup, and Remediation: Costs

This bill requires the Division of Oil, Gas, and Geothermal Resources to develop a mechanism to assess the full cost of decommissioning, cleanup, and remediation of oil-and-gas infrastructure, including pipeline facilities, pump facilities, and storage facilities.

Status: Assembly Natural Resources Committee

Other Legislation

AB 209 (Limón) Parks: Environmental Education: Grant Program

This bill requires the Director of Parks and Recreation to establish an Outdoor Equity Grants Program to increase the ability of underserved and at-risk

populations to participate in outdoor environmental educational experiences at state parks and public lands. The bill requires the Director to prioritize funding to outdoor environmental education programs that primarily provide outreach to and serve students who are eligible for free or reduced-price meals, foster youth, or pupils of limited English proficiency.

Status: Senate Natural Resources and Water Committee

AB 467 (Boerner Horvath) State Property Competitions: Prize Compensation: Gender Equity

This bill requires the State Lands Commission, the California Coastal Commission, the California Department of Fish and Wildlife, the Department of Transportation, and State Parks to include equal prize competition as a condition of any lease or permit authorizing a competitive event. Last year, the State Lands Commission approved a lease to the World Surf League for the Mavericks Challenge, an annual one-day competition that attracts surfers from around the world. The lease requires multiple heats in the women's division and equal pay for all competitors regardless of gender. This lease was viewed as a precedent-setting victory for equal pay in any sporting event held on state property and is the basis for this bill. In April 2019, the Commission adopted a support position on AB 467.

Status: Senate Appropriations Committee

AB 639 (Cervantes) Financing Lower Carbon Emissions: Seaports

This bill creates a task force to address workforce impacts of transitioning seaports to a lower carbon economy and requires the task force to advise state agencies on the most effective ways to expend clean energy and greenhouse gas moneys and to implement policies and programs to mitigate the impacts of transitioning seaport operations to low-and zero-emission operations on incumbent workers.

Status: Senate Environmental Quality Committee

AB 1111 (Friedman) Outdoor Recreation: Office of Outdoor Recreation: California Outdoor Recreation Account

This bill establishes the Office of Sustainable Outdoor Recreation within the Office of the Governor and requires the Office to undertake activities to support the outdoor recreation economy of the state and to work toward equitable access to the outdoors.

Status: Senate Natural Resources and Water Committee

SB 1 (Atkins, Portantino, and Stern) California Environmental, Public Health, and Workers Defense Act of 2019

This bill, introduced by the Senate President Pro Tempore, is intended to protect California's environment, workers, and consumers from consequences of misguided deregulation at the federal level. The bill establishes minimum federal environmental, public health, and labor standards as state baselines if Congress or the President repeals or weakens corresponding federal standards and bans the corresponding California standards from falling below those baselines. If new federal standards fall below the baseline, this bill allows the public to enforce state standards under certain circumstances.

Status: Assembly Environmental Safety and Toxic Materials Committee

SB 8 (Glazer)/AB 1718 (Levine) State Parks: State Coastal Beaches: Smoking Ban

These bills ban cigarette smoking at state coastal beaches and parks. In 2017, the Commission supported similar legislation (<u>Calendar Item 93, April 2017</u>). <u>Status</u>: Assembly Appropriations Committee/Senate Natural Resources and Water Committee

SB 69 (Wiener) Ocean Resiliency Act of 2019

This bill enacts the Ocean Resiliency Act of 2019 in an effort to improve and protect the health of watersheds and the Pacific Ocean along California's coastline. The bill's scope spans the California Department of Fish and Wildlife, the California Natural Resources Agency, the California Coastal Conservancy, the California Air Resources Board, the Department of Forestry, and the Department of Water Resources.

Status: Assembly Water, Parks, and Wildlife Committee

SB 367 (Hueso) State Coastal Conservancy: Grants: Educational Projects and Programs

This bill authorizes the State Coastal Conservancy to undertake educational projects and programs for adults and to award grants to federally recognized Indian tribes for educational projects and programs. This bill also revises the Conservancy's educational grant program to authorize, among other things, grants for the construction and improvement of structures and facilities used for the educational projects and programs.

Status: Assembly Appropriations Committee

SB 690 (Hueso) Water Quality: Tijuana River

This bill requires the San Diego Regional Water Quality Control Board, to the extent feasible, to negotiate an interagency agreement with the federal government under which the federal government will take the lead role in constructing a waste capture or runoff interception and diversion structure to significantly reduce waste streams from Mexico.

Status: Assembly Environmental Safety and Toxic Materials Committee

DEADLINES:

The California Legislature has a legislative calendar that contains deadlines for when certain actions must occur. Below are key deadlines for 2019.

- July 12 Last day for policy committees to meet and report bills. Summer Recess begins on adjournment, provided Budget Bill has been passed.
- August 12 Legislature reconvenes from Summer Recess.
- August 30 Last day for fiscal committees to meet and report bills.
- September 6 Last day to amend bills on the floor.
- September 13 Last day for any bill to be passed.
- October 13 Last day for the Governor to sign or veto bills.